May 21

Alberta
HEALTH

Memorandum

From Halvar Jonson
Minister

Our File Reference

Your File Reference

To Honourable Ralph Klein
Premier

All Government MLAs

Date

Phone 427-3665

Fax 415-0961

Subject **Bill 37 Review Panel Report**

Please find attached an information package related to the report and recommendations of the Bill 37 Blue Ribbon Review Panel. I have provided:

- A brief summary of the Panel's conclusions and recommendations.
- Key messages with respect to the Report.
- An MLA column for use with newspapers in your constituency.
- A draft letter to use in response to questions raised by constituents.

I have also forwarded a quantity of the Panel's Report directly to your constituency offices. Please contact my office if you require additional copies.

Halvar C. Jonson

Attachments

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FACT SHEET
BILL 37 REVIEW PANEL REPORT

Background:

- Bill 37, the Health Statutes Amendment Act was introduced in the Spring 1998 session of the Legislature.
- The Bill was introduced because of growing concerns by Albertans about the potential negative impact on the publicly funded health system of increased numbers of private health facilities.
- The Bill would have given government the legislated authority to prohibit, restrict or regulate private heath facilities. No such legislated authority exists now and approval of private health facilities rests solely with the College of Physicians and Surgeons of Alberta.
- The Bill encountered considerable criticism from opponents who claimed it would undermine the public system. Given public confusion about the Bill in the face of these allegations, debate on the Bill was deferred in November 1998 and a "blue ribbon" panel of experts appointed to review the Bill and assess its potential impact.
- The Panel's Report and recommendations were released publicly on March 31, 1999.

Summary of the Review Panel's Conclusions

1. Bill 37 was a complex and technical piece of legislation that could not and should not be interpreted in a simplistic fashion.
2. The government's intention with Bill 37 was to safeguard the public health care system and that would have been accomplished through several sections of the Bill. The Panel found that the publicly funded health system was not put in jeopardy by the legislation but that wording of some parts of the legislation caused confusion and needed further refinement.
3. The Panel found no evidence to support allegations that Bill 37 contravened any of the principles of the Canada Health Act.

4. The panel agreed that without Bill 37 or similar legislation there would exist a legislative gap which would inhibit government's ability to prohibit or control private treatment facilities. The panel made several recommendations on how best to fill the gap.

5. The Panel concluded that Bill 37 did not and could not completely define the limitations of private health providers, in that under the Canada Health Act private facilities would still have been able to serve uninsured persons such as Workers' Compensation Board Members.

Summary of the Review Panel's Recommendations For Legislation

- The distinction between what are hospital procedures and non-hospital procedures should be based on the principle endorsed in the Bylaws of the College of Physicians and Surgeons, that being that if a patient can be safely discharged from medical care within 12 hours of completion of the procedure, then the procedure be considered a non-hospital procedure.

- Procedures that meet the criteria of less than 12 hour recovery time could be performed either in a hospital or in a non-hospital surgical facility. However, if the procedure is an insured procedure then a non-hospital facility would require a contract with a Regional Health Authority to perform the procedures and that contract would need to be approved by the Minister of Health. Uninsured services would not require Ministerial approval or contracts.

- Interim legislation be passed that gives the Minister of Health the authority to review and either prohibit, restrict, or approve private facilities (called private hospitals by the Panel) to perform:

  a) Uninsured services requiring a stay of longer than 12 hours and/or

  b) Insured services requiring a stay of longer than 12 hours under contract to a Regional Health Authority. Such contracts would require approval of the Minister of Health.

In the case of insured or uninsured services the Minister's approval would be based on consistency with the principles of the Canada Health Act and the best interests of the publicly funded system.

- Longer term legislation be developed that would create a single system of "approved hospitals" and require that all major surgeries be performed in "approved hospitals." A facility could be "approved" as a hospital by the Minister of Health and the applicant would be a Regional Health Authority; a volunteer organization; a Worker's Compensation Board; or even the private sector.

Approval for any "hospital" to operate would be based on meeting patient needs; the best interests of the publicly funded health system; and the principles of the Canada Health Act.

NEXT STEPS

- Government will make the Report and Recommendations of the Review Panel widely available to Albertans and seek comments regarding the Panel's proposals until early May.

- At the same time Government will be conducting a thorough review of the recommendations to assess the longer term impact on the health system.

- Any actions ultimately taken will be to ensure that a quality publicly funded health system is protected for Albertans and that such a system supports the fundamental principles of the Canada Health Act.

March 31, 1999

KEY MESSAGES
BILL 37 REVIEW PANEL REPORT

- The Bill 37 Review Panel took an unbiased and neutral look at Bill 37 and its possible implications for the health system.

- The primary conclusions of the Panel were:
  1. The government's intention with Bill 37 was to safeguard the publicly funded health system and that would have been accomplished through several sections of Bill 37. The wording of some parts of the legislation was however confusing and should be clarified, including changing the wording from private treatment facilities to private hospitals.

  2. Contrary to the allegations of some, Bill 37 did not put in jeopardy the publicly funded health system.

  3. Contrary to the allegations of some the Panel found no evidence that Bill 37 was inconsistent with the principles of the Canada Health Act.

  4. The Panel agreed that without Bill 37 or similar legislation there is a legislative gap that limits government's ability to prohibit or limit the operation of private treatment facilities.

- The Panel recommended as a first step, that government bring forward legislation very similar in nature to the previous Bill 37. Such legislation could in the view of the Panel, either restrict private treatment facilities (private hospitals) to performing uninsured services (as proposed in Bill 37 in the Fall '98 Session), if approved by the Minister of Health; or allow private treatment facilities (private hospitals) to do both uninsured and insured services but the insured services only under contract with an RHA, and only if approved by the Minister of Health (as proposed in Bill 37 in the Spring '98 Session).

- The Panel further recommended that eventually legislation be brought forward to replace the interim legislation. Such new legislation would mandate that all major surgical procedures be performed in "approved hospitals" but that such hospitals could be operated by an RHA; a volunteer organization; the private sector; or others.

- Government will now be closely reviewing the legislation recommendations of the Panel to ensure that any actions taken are in the best interests of the health system over the longer term. Government welcomes the views of Albertans on the Panel's recommendations as part of this review process.

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- Government is committed to maintaining a quality publicly funded health system in Alberta and will ensure our publicly funded system is protected and preserved, and continues to meet the principles of the Canada Health Act.

MLA Column
Bill 37 " Blue Ribbon" Panel Report

The Final Report of the "Blue Ribbon" Panel reviewing Bill 37, the Health Statutes Amendment Act was released by Health Minister Halvar Jonson on March 31, 1999.

The Panel confirmed that government's intention with Bill 37 was to safeguard Alberta's publicly funded health system and that contrary to allegations by the Bill's opponents, there was no evidence that it contravened any of the principles of the Canada Health Act.

Bill 37 was developed last year in response to the concerns of Albertans regarding the potential establishment of private treatment facilities in the province and our government's desire to ensure that such facilities would in no way jeopardize the quality or accessibility of our publicly funded health system.

This bill generated a great deal of debate, but because of the complexity of the bill many parts of the legislation were misunderstood. As well, inaccurate and simplistic allegations that were later found to be completely unfounded were made about the intention of the bill.

Given this high level of misunderstanding and the concerns that resulted, government deferred further debate on Bill 37. As well, in November of 1998, a "blue ribbon panel" of individuals knowledgeable in health system governance and in legal matters, was established to review the bill.

The panel was chaired by Peter Lown, Q.C., Director of the Alberta Law Reform Institute and a Professor in the Faculty of Law at the University of Alberta. Other members included:

- Muriel Abdurahman, former Liberal MLA for Clover Bar-Fort Saskatchewan and former Mayor of Fort Saskatchwan. She also has experience in health system governance and nursing.
- Dr. Bill Anderson; Past-President of the Alberta Medical Association
- Jean Graham; Chair of the David Thompson Regional Health Authority, Chair of the Regional Health Authorities Council of Chairs, and the Alberta representative on the Canadian Healthcare Association.
- Jack Ady; former Minister of Advanced Education and Career Development and former MLA for Cardston-Chief Mountain.

This panel conducted a detailed review of the wording of the Bill to ensure that it fully met government's stated objective of protecting Alberta's publicly funded health system from the potential negative effects of private treatment facilities and to ensure consistency with the principles of the Canada Health Act. The panel provided an independent, unbiased interpretation as to the full effect of the legislation and whether or not it would, in its current state, meet the objective of protecting the publicly funded health system.

The Final Report of the "blue ribbon panel" was released publicly on March 31, 1999. In it's report, the Panel confirmed that Government's intent was to safeguard the publicly funded health system and that Bill 37 was consistent with all of the principles of the Canada Health Act.

Another conclusion reached by the Panel was that without legislation such as Bill 37, there would exist a legislative gap that would inhibit government's ability to prohibit or control private treatment facilities.

The major legislative recommendations that were put forward in the "blue ribbon panel" report were:

- Distinction to be made between hospital and non-hospital procedures based on the medically supervised post-operative recovery time.
- Insured services with a recovery time of less than 12 hours would only be performed in a non-hospital surgical facility if there was a contract with a Regional Health Authority and if that contract was approved by the Minister of Health.
- As an interim step, legislation should be brought forward that would give the Minister of Health authority to regulate treatment facilities seeking to provide uninsured or insured services requiring a stay of more than 12 hours.
- Another future step would include legislation which would give the Minister of Health the authority to ensure all major surgical procedures, insured and non-insured are performed in an approved hospital, but that such hospitals could potentially be operated by regional health authorities, the voluntary sector, or the private sector subject to approval by the Minister following an assessment of the impact on the public system.

Government will now conduct a very thorough review of the Panel's recommendations for legislation. As a government, we need to be certain that actions taken will be in the best interests of our health system over the longer term. As part of our review, we are inviting Albertans to send in their comments and views for the next month on this important piece of legislation.

Our priority as a government is to ensure Albertans continue to have access to quality publicly funded health services when they need them and that our health system is consistent with all of the principles of the Canada Health Act.

If you would like to obtain a copy of the Panel's full report, please contact the Alberta Health Communications Branch at (780) 427-7164. Comments on the panel's recommendations may be sent by fax to (780) 427-1171; by mail to Alberta Health Communications (22nd Floor, 10025 Jasper Avenue, Edmonton, Alberta, T5J 2N3); or by e-mail through Alberta Connects (www.albertaconnects.gov.ab.ca).

Bill 37 Updated Letter:

Dear:

Thank you for your recent letter concerning the recommendations and final report of the Bill 37 Review Panel.

Bill 37 was developed last year in response to the concerns of Albertans regarding the potential establishment of private treatment facilities in the province and our government's desire to ensure that such facilities would in no way jeopardize the quality or accessibility of our publicly funded health system. Although this Bill generated a great deal of debate and discussion last Fall, the context of this legislation was greatly misunderstood.

Given that high level of misunderstanding and the concerns that resulted, government deferred further debate on Bill 37. As well, in November of 1998, the "blue ribbon panel" of individuals knowledgeable in health system governance and in legal matters, was established to review the Bill. The Bill 37 Review Panel was made up of the following members:

- The Chair, Peter Lown, Q.C., Director of the Alberta Law Reform Institute and a Professor in the Faculty of Law at the University of Alberta Health
- Muriel Abdurahman, former Liberal MLA for Clover Bar-Fort Saskatchewan and former Mayor of Fort Saskatchewan. She also has experience in health system governance and nursing.
- Dr. Bill Anderson; Past-President of the Alberta Medical Association.
- Jean Graham; Chair of the David Thompson Regional Health Authority, Chair of the Regional Health Authorities Council of Chairs, and the Alberta representative on the Canadian Healthcare Association.
- Jack Ady; former Minister of Advanced Education and Career Development and former MLA for Cardston-Chief Mountain.

This panel provided an independent, unbiased interpretation as to the full effect of the legislation and whether or not it would in its current state, would meet the objective of protecting the publicly funded health system. This final report was released on March 31, 1999.

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One of the primary conclusions reached by the Review Panel indicate that government's intent with this Bill was to safeguard the publicly funded health system and that it was consistent with all of the principles of the Canada Health Act. Another conclusion reached by the Review Panel was that without Bill 37 there would exist a legislative gap that would inhibit government's ability to prohibit or control private treatment facilities.

The legislative recommendations that were provided in the "blue ribbon panel" report were:

- Distinction to be made between hospital and non-hospital procedures based on the medically supervised post-operative recovery time.
- Insured services with a recovery time of less than 12 hours should only be performed in a non-hospital surgical facility if there is a contract with a Regional Health Authority and if that contract was approved by the Minister of Health.
- As an interim step, legislation should be brought forward that would give the Minister of Health authority to prohibit or regulate treatment facilities seeking to provide uninsured or insured services requiring a stay of more than 12 hours.
- A future step should include legislation which would give the Minister of Health the authority to ensure all major surgical procedures, insured and non-insured are performed in an approved hospital, but that such hospitals could potentially be operated by regional health authorities, the voluntary sector, or the private sector subject to approval by the Minister following an assessment of the impact on the public system.

Government is now conducting a very thorough review of the Panel's recommendations for legislation. As a government, we need to be certain that actions taken will be in the best interests of our health system over the longer term.

Albertans are invited to send in their comments on the Panel's report and recommendations to government over the next month. Copies of the Panel's full report are available from the Alberta Health Communications Branch by calling (780) 427-7164. Comments on the panel's recommendations may be sent by fax to (7800) 427-1171; by mail to Alberta Health Communications (22nd Floor, 10025 Jasper Avenue, Edmonton, Alberta, T5J 2N3); or by e-mail through Alberta Connects (www.albertaconnects.gov.ab.ca).

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Our priority as a government is to ensure Albertans continue to have access to quality publicly funded health services when they need them and that our health system is consistent with all of the principles of the Canada Health Act.

Thank you for writing to provide your comments.

Yours sincerely,

Halvar C. Jonson
Minister

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Alberta HEALTH

Memorandum

From Lynne Duncan
Deputy Minister

Our File Reference

Your File Reference

To Honourable Halvar C. Jonson
Minister

Date June 17, 1999

Phone 422-0747

Fax 427-1016

Subject **Agenda and Priorities Briefing Material**

Minister we enclose three copies of the briefing material prepared for Agenda and Priorities. This will need to be provided to Agenda and Priorities by mid afternoon today.

I understand that Mr. Schlotter will be working with Mr. Mills to prepare the additional information required by Agenda and Priorities regarding legislative matters.

for Lynne Duncan

Enclosures

cc: Ron Dyck
Herb Schlotter

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Alberta HEALTH

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MINISTER OF HEALTH AND WELLNESS"

FACT SHEET

LEGISLATION GOVERNING NON-HOSPITAL SURGICAL FACILITIES
Bill 37 REVISITED

23(1)a

ISSUE:

What surgical procedures should be permitted in privately owned non-hospital surgical facilities?

POLICY RECOMMENDATIONS

1. Only public hospitals, those owned, operated or funded by a Regional Health Authority, will be designated by the Minister as approved hospitals under the Hospitals Act.
2. Insured surgical services will be performed only in approved hospitals or, in the case of surgical procedures requiring less than a 12 hour recovery, in a non-hospital surgical facility under contract with an RHA, where the Minister approves the contract.
3. Non-hospital surgical facilities will be differentiated by length of recovery time required for the surgical procedure:
   - If less than a 12 hour recovery the non-hospital surgical facility will be restricted to:
     - Insured surgical procedures performed under contract to an RHA where the Minister approves the contract; or
     - Uninsured surgical procedures (current practice)
   - If greater than a 12 hour recovery the long stay non-hospital surgical facility will be restricted to
     - Surgical procedures for uninsured persons; or ?
     - Uninsured surgical procedures.

23(1)a

- All non-hospital surgical facilities must be accredited by the college of Physicians and Surgeons and long stay non-hospital surgical facilities must also be approved by the Minister, which approval would require the Minister to be satisfied that:
  - long-term sustainability of the publicly funded delivery system is not compromised;
  - any approval is in the public interest; and
  - any other factors considered relevant are acceptable.
- These recommendations are consistent with the Panel's report with the two exceptions:
  - A regional health authority would be unable to contract with a long stay non-hospital surgical facility to deliver insured surgical services requiring more than a 12 hour recovery time; and
  - Only hospitals owned, operated or funded by a Regional Health Authority would be called hospitals.

LEGISLATIVE IMPLEMENTATION

23(1)a

- Only recommendation 3 requires legislation. This legislation would be introduced and passed in the Fall session and its effect is illustrated in Schedule "A".
- If legislation is not introduced and passed two related possibilities arise:
  - The College may accredit long stay non-hospital surgical facilities; and

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- The government may be forced to react at an inopportune time and with little ability to influence the circumstances.

23(1)a

- A separate bill would be simultaneously introduced to remove the prohibition against private insurance coverage for standard ward accommodation charges in auxiliary hospitals, in keeping with the Panel's conclusion that this measure did not jeopardize the public health care system. Non-controversial elements dealing with non-hospital surgical facilities may also be included.

BACKGROUND:

- Bill 37 was introduced in the 1998 Spring session of the Alberta Legislature and generated considerable controversy among certain segments of the public. Consideration of Bill 37 was deferred to, and then during, the 1998 Fall session and Bill 37 was allowed to die on the order paper when the session ended.

- Bill 37 dealt with three policy initiatives of government, namely:

    - Formalize the government's present policy regarding non-hospital surgical facilities, which allows insured surgical procedures to be performed under contract with a RHA. The physician component of the fee for the surgical service provided is paid by Alberta Health, the RHA pays a facility fee to the NHSF and the contracts are approved by the Minister;

    - Permit private insurance coverage for the cost of standard ward hospitalization provided in auxiliary hospitals to mirror the availability of such insurance coverage for standard ward hospitalization provided in a nursing home; and

    - Introduce legislation to enable the Minister to control the existence and operation of long-stay non-hospital surgical facilities (called private treatment facilities in the Bill)

- After the government announced that it was deferring further consideration of Bill 37, the Panel was formed and asked to address several questions The Panel delivered its report to the Minister of Health on March 22, 1999.

Key approach

- The Panel's Executive Summary is attached as Schedule "B". An essential element of the Panel's recommendation was that the distinction between hospital and non-hospital surgical procedures should be based on the principle of required recovery time. That is can the patient be safely discharged within 12 hours of completion of the surgical procedure?

- The Panel proposed that surgical procedures, requiring a recovery time of:
    - less than 12 hours, could be performed in either a public hospital or an accredited non-hospital surgical facility.
    - more than 12 hours, could be performed in either a public hospital or an accredited long stay non-hospital surgical facility.

- With the release of the Panel's report Government announced that it was seeking the input of Albertans concerning the Panel's report and recommendations. Response to date from the general public has been minimal.

- On March 29th the Minister discussed the Panel's report with Agenda and Priorities.

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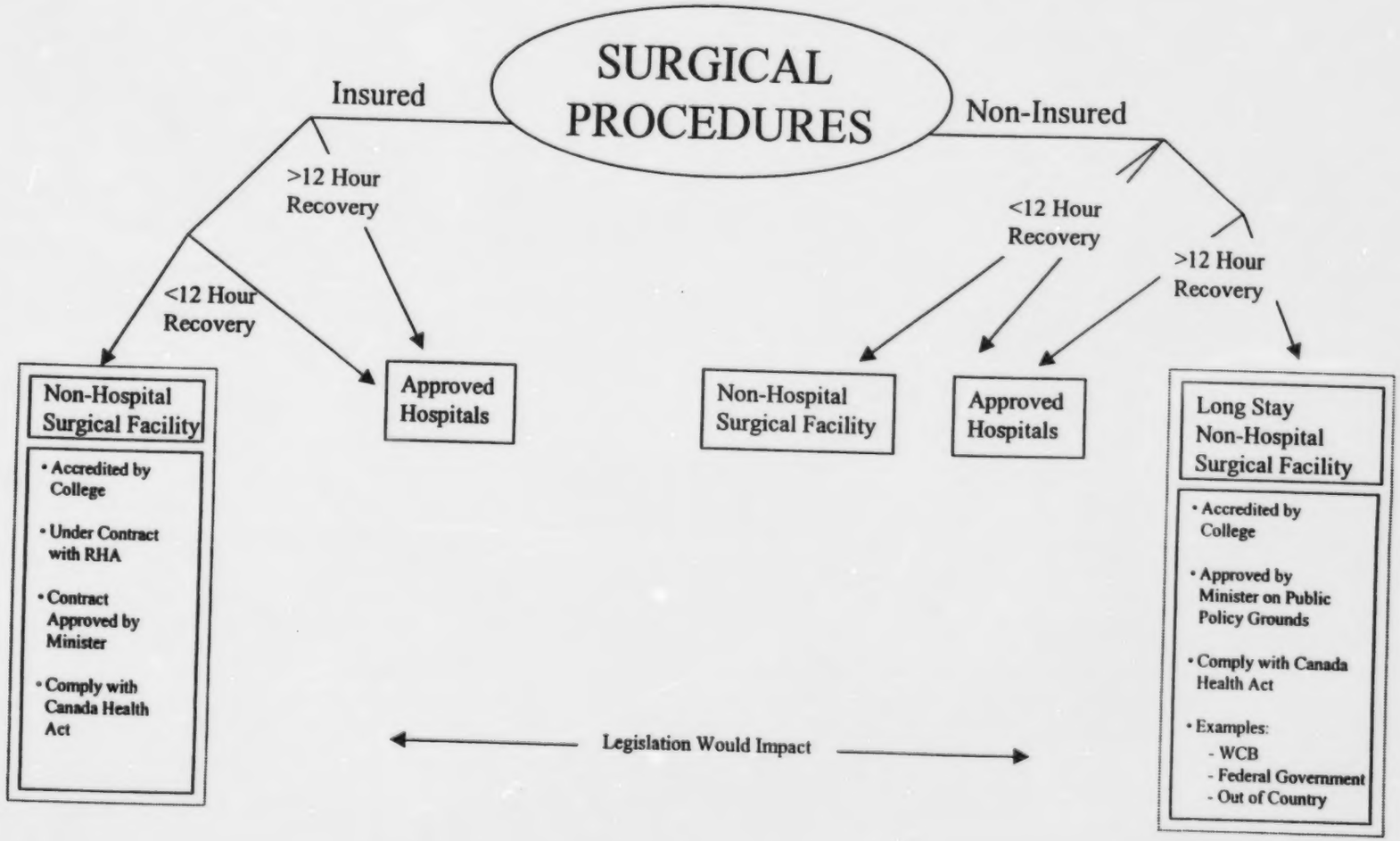
23(1)a

SCHEDULE "A"



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EXECUTIVE SUMMARY

On December 4, 1998, the Honourable Halvar Jonson, Minister of Health, announced the Bill 37 Review Panel. This panel was to conduct a detailed review of the wording of the Bill to ensure it fully met the government's stated objectives of protecting Alberta's publicly funded health system from the potential negative effects of private treatment facilities and to ensure consistency with the principles of the *Canada Health Act*.

The Panel's terms of reference were to:

- Determine whether Bill 37 meets the government's stated objective of safeguarding the public health system;
- Ensure that the Bill meets the requirements of the principles of the *Canada Health Act*;
- Determine if, in the absence of such a bill, a legislative gap exists which inhibits government's ability to prohibit or control private health facilities;
- Determine if the Bill preserves the public health system by clearly defining the limitations on the role of non-public health providers; and
- Advise the Minister of Health of any modifications required to Bill 37 to enhance clarity.

In late December 1998, and early January 1999, letters of invitation were sent to over 30 local, provincial, and national groups and organizations asking for their input given the Panel's terms of reference. In total, the Panel received 49 separate submissions from various individuals or groups. Additionally, the Panel examined information it requested from government and non-government organizations.

In examining the Bill, there was a need to understand the historical and present day context of the health care system in Alberta. Historically, Alberta has always had a multifaceted health care system involving a balance of public and private health care funding. There is, and always has been, a debate on the possibility of private delivery of services in a publicly administered and funded system. Bill 37 and its amendment could have an effect on this balance.

In examining the Bill in great detail, the Panel found the following. First, Bill 37 and its amendment are complex and technical pieces of legislation. Second, due to this complexity, the Bill is not easy to comprehend and consequently easy to misconstrue. Third, despite its complex and technical nature, the Panel could find no evidence to support the allegations that Bill 37 offended the principles of the *Canada Health Act*. And fourth, the Bill did attempt to protect the public health system, but we found its approach could have been strengthened. Given the above, the Panel found there was a need to approach the Bill from a different perspective.

Section A below contains a brief summary of the first four points. Section B contains the Panel's recommendations for improvement, including a new two-step approach the Panel believes will assist the Minister in his responsibility to protect Alberta's publicly funded system.

Section A

1. Determine whether Bill 37 meets the government's stated objective of safeguarding the public health system.

Response 1

From the submissions, the Panel noted two themes. The first was the government's objective for safeguarding the public health care system was neither clearly nor strongly stated. The second was that regulated services were the lynchpin to the operation of the statute and concerns were raised that these regulations had not been made available to the public.

Upon examination, the Panel concluded that the government's stated intention with Bill 37 and its amendment was to safeguard the public health care system. This was accomplished in two sections. First, Bill 37's amendment to the *Alberta Health Care Insurance Act* (Section 1(1) and 1(2)) created a clearer supervisory control over non-hospital surgical facilities. The second area was the amendment to the *Hospitals Act* (Section 2(1) and 2(2)) for insurance coverage of residence charges. This section ensured a patient could acquire insurance to cover residential costs wherever provided. The public health care system was not in jeopardy with the implementation of these two amendments.

However, the amendment dealing with the creation of a new classification of health facility (treatment facility) caused some confusion. The Panel recognized that a treatment facility was, in effect, a private hospital offering uninsured services. This section required further review and refinement.

2. Ensure that the Bill meets the requirements of the principles of the *Canada Health Act.*

Response 2

With respect to this point, the Panel noted a broad range of comment from submissions, letters, and briefs. Some thought Bill 37 met the criteria of the *Canada Health Act* while others thought that while the letter of the law was clear, the spirit of the House amendment could be more precise.

After an exhaustive review of this issue, the Panel could find no evidence to support the allegation that Bill 37 offended the principles of the *Canada Health Act.*

3. Determine if, in the absence of such a bill, a legislative gap exists which inhibits government's ability to prohibit or control private health facilities.

Response 3

The Review Panel concurs with the majority of respondents who wrote providing the opinion that a legislative gap would exist if Bill 37 and its amendment were not implemented. Additionally, the Panel recognized that a legislative gap could also exist even if Bill 37 and its amendment were implemented. A close examination of the Bill revealed a treatment facility could obtain College accreditation and, without approval by the Minister, offer unregulated surgical services.

In our recommendations below, the Panel provides a two-stage process to deal with this gap - an interim and a longer term measure.

4. Determine if the Bill preserves the public health system by clearly defining the limitations on the role of non-public health providers.

Response 4

Not completely. Given the explanation in the previous point, the Bill could have inadvertently allowed treatment facilities to provide medical services without the Minister effectively being able to control them.

The Panel noted that the definition of insured health services to insured persons under the *Canada Health Act* excludes Workers' Compensation Board cases and armed forces personnel, members of the RCMP, and prisoners. Therefore, under the *Canada Health Act* and the *Workers' Compensation Board Act* a legal means clearly exists for private health facilities to serve a segment of the Canadian population.

Section B

Having reviewed the questions posed to it and the issues arising from them, the Panel makes the following suggestions for implementing the policy objectives contained in Bill 37.

Recommendation No. 1

Where the residential component cost of care may be legitimately charged to a patient in a hospital, auxiliary hospital, or nursing home, the patient should be able to insure against such a cost. The Panel concurred with the view that the proposed amendment to the *Hospitals Act* is consistent with this policy and should be implemented.

This recommendation recognizes that the compartments (auxiliary hospital, nursing home, etc.) through which the underlying policy was originally carried out are no longer watertight or accurate. The recommendation states the underlying policy so that other statutes and regulations can be appropriately measured against it.

Recommendation No. 2

The distinction between hospital and non-hospital procedures should be based on the principle of required recovery time, i.e. the safe discharge of the patient within 12 hours of completion of the surgical procedure.

This recommendation recognizes the current method of determining what surgical procedures can be performed in different types of facilities. It reflects current accepted standards for what may occur in non-traditional hospital settings, and forms the basis of the new bylaws endorsed by the College of Physicians and Surgeons for accreditation purposes. The College bylaw is as follows:

> Section 43(2)(k) - Permitted surgical procedures are those procedures which will safely allow the discharge of a patient from medical care in the facility within 12 hours of completion of the surgical procedure by a registered practitioner.

See Appendix C for College of Physicians and Surgeons bylaws referenced in this section of the report.

Recommendation No. 3

Those surgical procedures listed in Section 43(4), and which comply with Section 43(2)(k) [that is less than 12 hours safe discharge], may be performed in an "approved hospital or a non-hospital surgical facility." If the procedure is provided in a non-hospital surgical facility and to a person insured under the Alberta Health Care Insurance Plan, the following two conditions must be met:

- **The procedures are provided under a contract entered into with the Regional Health Authority; and**
- **The contract has been approved by the Minister.**

We note that uninsured services can be performed in both.

This recommendation recognizes the current situation, formalizes it, and adds greater control on the insured side by requiring both the RHA contract and Ministerial approval. A matrix of checks and requirements for such contracts should be developed by the Department of Health to ensure that the contracted out activity is subject to appropriate review and scrutiny.

A TWO-STEP PROCESS

The Panel recognized the purpose of Bill 37 and its amendment was to ultimately deal with the issue of an accredited private health care facility that delivered major surgical services to uninsured persons. Bill 37 proposed a new category called "treatment facility" and proposed an application procedure with services to be listed in regulations. The public was sceptical of the concept especially given that the scope of the operations and prohibition was to depend on regulations to be created in the future.

Given Recommendation 2, the best description of a treatment facility is a private hospital offering uninsured services. (The House Amendment to Bill 37 would have restricted a treatment facility to uninsured regulated services.)

The Panel does not believe that facilities, which are essentially hospitals, should be able to operate outside and independently of the overall health care system. To address this issue, the Panel recommends a two-step process.

STEP ONE

Recommendation No. 4

A temporary and transparent measure be implemented which provides the Minister with the legislative power and the responsibility for the regulation of approved hospital facilities providing both uninsured or insured services within the Alberta health care system.

In effect, this recommendation creates two possibilities.

A. Private Hospital Solely Conducting Uninsured Services. If an approved hospital facility wants to restrict its operations to uninsured services (as defined), then it must first secure Ministerial approval and cannot offer any insured services under that approval. The approved hospital must also recognize that offering uninsured services at this stage will be an interim step, given recommendation five below. Before granting an approval, the Minister must be satisfied that long-term sustainability of the delivery system is not compromised, the approval is in the public interest, and may consider any other relevant factors.

B. Private Hospital Contracted by the Health Authority. Insured services can be offered in either a health authority facility or under contract with the health authority. If the latter, the services come under the *Canada Health Act* umbrella and must meet the five program criteria and must include the prohibition on extra billing and facility fees. If a health authority determines that it should contract for certain services, the Minister must review and approve the contract to ensure that patient needs will be appropriately met, the long-term sustainability of the public delivery system will not be compromised, there is no major impact on the overall delivery system, and the contract can be justified in the public interest.

Any facility must first be accredited by the College.

Upon implementation of the above, an interim means of closing a legislative gap now exists which assists government in the prohibition or control of private hospitals.

STEP TWO

The Bill 37 Review Panel advocates that the Department of Health should move as quickly as possible to develop a new legislative framework that better co-ordinates the delivery of insured and uninsured services in Alberta's health care system.

The requirement that all major surgical procedures take place in an approved hospital is an appropriate way of ensuring that the Minister who has the responsibility for the overall system also has control of all elements within it.

Recommendation No. 5

All surgical procedures not listed in Section 43(4) or which cannot comply with Section 43(2)(k) must be performed in an approved hospital.

This recommendation builds on recent bylaws created by the College of Physicians and Surgeons. These bylaws created a standard for surgical procedures and safe patient discharge within a prescribed time-period. The approach is equally applicable to the approval of facilities in which procedures should be carried out. The standard is whether a patient can be safely discharged within twelve hours of completion of the surgical procedure by a registered physician. The approved hospital concept forces the co-ordination of delivery of insured and uninsured services.

The Panel recognizes that the Ministerial approval of hospitals and the College accreditation of facilities are independent but complementary processes. It should be made clear that even though a facility could gain College accreditation, the facility's ability to operate within the Alberta health care system depends upon receiving Ministerial approval.

An approved hospital must:
- Be accredited by the College of Physicians and Surgeons (or the appropriate accrediting body);
- Meet the requirements of the *Hospitals Act*[1]; and
- Operate within the principles of the *Canada Health Act*.

Given the above, an applicant for an approved hospital could be:
- A hospital presently owned and run by a health authority;
- A volunteer hospital;

[1] The Panel notes that the *Hospitals Act* may require some updating to accommodate our recommendations.

- A workers' compensation board hospital;
- A Federal Government hospital;
- A private hospital (if approved under the interim measure); and
- A new applicant.

Each of these applicants have their own particular legislative or constitutional context.

However, the interim measure would disappear, and all applications for an "approved hospital" must first satisfy the test of whether the proposal will meet the needs of the health authority's plan to deliver patient services.

The operation of any approved hospital providing insured or uninsured services, must meet the following criteria:

- Serves the current and future patient needs in the geographic area to be served;
- Has no major negative impact on the publicly funded health system in Alberta;
- Is in the public interest; and
- Satisfies any other factors the Minister and Department of Health consider to be relevant.

Recommendation No. 6

Bill 37 should be replaced with three separate initiatives dealing with the three separate acts which should be amended. Those acts are the *Alberta Health Care Insurance Act*, the *Hospitals Act*, and the *Medical Profession Act*. By doing so, the Minister will be able to properly deal with the respective pieces of legislation and reduce the confusion that was attached to Bill 37.

Herb Schlotter
06/30/99 10:18 AM

To: Douglas Mills/ABHealth@ABHealth
cc: Lynne Duncan/ABHealth@ABHealth, Jad Kalke/ABHealth@ABHealth

Subject: Re: Bill 37

Douglas

Attached is the revised briefing, minus the chart which I am in the process of redoing. Lynn has reviewed the draft attached.

I have also deleted reference to the executive summary of the Panel's report and indicated that the full copy was previously circulated. This should reduce the bulk of this package.

Please let us know if any further changes are required or whether you require our assistance in preparation of materials for distribution to A&P or caucus.

Herb.

0125-100 Bill 37 Recommendations June 29-99 draft
Douglas Mills

Douglas Mills

06/30/99 08:08 AM

To: Herb Schlotter/ABHealth
cc: Lynne Duncan/ABHealth@ABHealth, Dianne White/ABHealth@ABHealth, Sue Broderick, Jad Kalke

Subject: Bill 37

Herb:
I overheard you mention to Lynne last night that you had a new document done up, I assume in response to A&P's input. Although I have yet to hear from Robb on the mechanics of how this'll work, I suspect the Premier's office will be looking for something today.

Would it be possible to get a copy down to the Minister early this morning so that he may look at it before he goes to Calgary to golf with the Premier this afternoon? Let me know what's possible...

Thanks!

24

IIS IS ADVICE AND ANALYSIS
PROVIDED TO THE
MINISTER OF HEALTH AND WELLNESS"

BRIEFING

LEGISLATION GOVERNING NON-HOSPITAL SURGICAL FACILITIES
Bill 37 REVISITED

ISSUE:

What surgical services should non-hospital surgical facilities be permitted to perform?

RECOMMENDATION:

That government confirm option 1 and adopt option 3 as its policy regarding the issue.

23(1)a

- Option 1 reflects the status quo; and
- Option 3 further restricts the activities of long-stay non-hospital surgical facilities as contemplated in Bill 37, by prohibiting surgical services (that would be an insured surgical service if provided to an Albertan) to out of country and out of province patients, except those services paid for by the WCB and Federal government .

PREMISE:

- A non-hospital surgical facility is a privately owned facility capable of performing certain surgical procedures.
- The College of Physicians and Surgeons of Alberta must accredit non-hospital surgical facilities as able to meet the College's criteria regarding patient safety and standards of care for the surgical procedure(s) to be performed.

23(1)a

- The College's criteria propose to differentiate between surgical procedures that require less or more than a 12 hour medically supervised post-operative recovery period.
- Only public hospitals, those owned, operated or funded by a Regional Health Authority, will be designated by the Minister as approved hospitals under the Hospitals Act.

OPTIONS

1. Retain the status quo respecting surgical procedures, that require less than a 12 hour recovery period, performed in a non-hospital surgical facility.

Pro

23(1)a

- Maintains present service delivery models
- Insured surgical services can only be performed under contract with an RHA and if the Minister approves the contract.

Con

- Does not address surgical procedures that require more than a 12 hour recovery.

25

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MINISTER OF HEALTH AND WELLNESS"

2. **Long-stay non-hospital surgical facilities be prohibited from performing surgical services requiring more than a 12 hour recovery.**

Pros

- This would likely satisfy critics of Bill 37 who advocated the "just say no" option.

Cons

- Contrary to current government policy, as reflected in Bill 37.

3. **Long-stay non-hospital surgical facilities be permitted to provide only surgical procedures, requiring more than a 12 hour recovery period, that:**
   - **are uninsured, or**
   - **are provided to uninsured persons where the cost of such services are paid by a Workers' Compensation Board or the Federal Government, and**
   - **The Minister approves the facility on public policy grounds.**

Pros

- Slightly more restrictive than Bill 37 re out of country patients.
- Would avoid the perceived inequity of an Albertan being denied services available to persons not resident in Alberta or Canada.

23(1)a

Cons

- May raise questions about approved hospitals being permitted to provide surgical services to out of country patients.

4. **Long-stay non-hospital surgical facilities be permitted to provide surgical procedures, requiring more than a 12 hour recovery, that:**
   - **are uninsured,**
   - **are provided to uninsured persons where the cost of such services are paid by a Workers' Compensation Board or the Federal Government,**
   - **are provided to out of country patients, or**
   - **insured surgical services, if provided under contract with an RHA, and**
   - **the Minister approves both the facility on public policy grounds and, for insured services, the contract.**

Pros

- Follows the recommendations of the Bill 37 Review Panel, although the Panel would have integrated such facilities into the approved hospital system and the Panel recommended a staged implementation following policy development.

Cons

- Likely very controversial and should be expected to generate significant public debate about the future of the public health care system.

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'HIS IS ADVICE AND ANALYSIS
PROVIDED TO THE
MINISTER OF HEALTH AND WELLNESS"

LEGISLATIVE IMPLEMENTATION

- Legislation to reflect policy 1 and 3 would be introduced and passed in the Fall session.
- A separate bill would be simultaneously introduced to remove the prohibition against private insurance coverage for standard ward accommodation charges in auxiliary hospitals, in keeping with the Panel's conclusion that this measure did not jeopardize the public health care system. This bill may also contains the provisions to formalize policy option 1, which the Panel found to be uncontroversial.
- Schedule "A", attached, illustrates the scope of legislation needed to implement the recommended policy position.

23(1)a

BACKGROUND:

- Bill 37 was introduced in the 1998 Spring session of the Alberta Legislature and generated considerable controversy among certain segments of the public. Consideration of Bill 37 was deferred to, and then during, the 1998 Fall session and Bill 37 was allowed to die on the order paper when the session ended.

- Bill 37 dealt with three policy initiatives of government, namely:

    - Formalize the government's present policy regarding non-hospital surgical facilities, which allows insured surgical procedures to be performed under contract with a RHA. The physician component of the fee for the surgical service provided is paid by Alberta Health, the RHA pays a facility fee to the NHSF and the contracts are approved by the Minister;

    - Permit private insurance coverage for the cost of standard ward hospitalization provided in auxiliary hospitals to mirror the availability of such insurance coverage for standard ward hospitalization provided in a nursing home; and

    - Introduce legislation to enable the Minister to control the existence and operation of long-stay non-hospital surgical facilities (called private treatment facilities in the Bill)

- After the government announced that it was deferring further consideration of Bill 37, the Panel was formed and asked to address several questions The Panel delivered its report to the Minister of Health on March 22, 1999.

- A copy of the Panel's report has been distributed previously. An essential element of the Panel's recommendation was that the distinction between hospital and non-hospital surgical procedures should be based on the principle of required recovery time. That is can the patient be safely discharged within 12 hours of completion of the surgical procedure?

- The Panel proposed that surgical procedures, requiring a recovery time of:
    - less than 12 hours, could be performed in either a public hospital or an accredited non-hospital surgical facility.
    - more than 12 hours, could be performed in either a public hospital or an accredited long stay non-hospital surgical facility.

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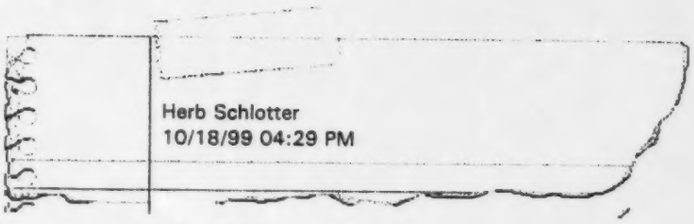
PROVIDED TO THE
MINISTER OF HEALTH AND WELLNESS"

- With the release of the Panel's report Government announced that it was seeking the input of Albertans concerning the Panel's report and recommendations. Response to date from the general public has been minimal.

- On March 29th the Minister discussed the Panel's report with Agenda and Priorities.

Herb Schlotter's Office



Herb Schlotter
10/18/99 04:29 PM

To: Cathy Maunu/ABHealth@ABHealth
cc:

Subject: Policy Statement - Private Hospitals

Please print and bring in for review

---------- Forwarded by Herb Schlotter/ABHealth on 10/18/99 04:26 PM ----------

Joan Neatby
10/18/99 03:20 PM

To: Herb Schlotter/ABHealth@ABHealth
cc:

Subject: Policy Statement - Private Hospitals

Latest version -

---------- Forwarded by Joan Neatby/ABHealth on 10/18/99 03:17 PM ----------

Ron Dyck
10/08/99 04:11 PM

To: Evelyn Swanson/ABHealth@ABHealth, Celso Teixeira/ABHealth@ABHealth, Joan Neatby/ABHealth@ABHealth
cc:

Subject: Policy Statement - Private Hospitals

Here is the latest version

Ron

---------- Forwarded by Ron Dyck/ABHealth on 10/08/99 04:08 PM ----------

Garth Norris
10/07/99 04:53 PM [redacted]

To: Lynne Duncan/ABHealth@ABHealth, Douglas Mills/ABHealth@ABHealth
cc: Ron Dyck/ABHealth@ABHealth

Subject: Policy Statement - Private Hospitals

Attached is the slightly revised policy statement document . We'll have a "flow chart" diagram tomorrow morning. (my in-house designer has gone for the day).

Garth

Herb Schlotter's Office

Private Hospitals Policy.d - see attached pgs

Policy Position On Private Hospitals
Cabinet, October 13, 1999
For Discussion Only

Policy Question:

What should be the role of private hospitals in delivering health services in Alberta?

Government's Mission Through Alberta Health and Wellness:

To maintain and improve the health of Albertans through leadership and collaboration with citizens and stakeholders.

This mission requires that the Ministry:

- Encourage and support healthy living.
- Lead and support a system for the delivery of quality health services.

In doing so the Ministry adheres to the following principles:

1. Alberta's health system reflects the five principles of the Canada Health Act:

- **Public Administration** - The health system is operated on a non-profit basis. Services may be contracted out to the private sector, but overall control must be in the public sector.
- **Comprehensiveness** - All medically necessary physician and hospital services must be insured.
- **Universality** - All Canadians must be entitled to public health insurance coverage for medical and hospital services.
- **Portability** - Canadians must receive insurance coverage for hospital and medical services received in another province.
- **Accessibility** – Medically necessary services must be available without user fees, extra billing or other barriers to reasonable access.

2. Alberta's health system provides quality services and effective outcomes

3. Alberta's health system is financially sustainable and cost-effective.

4. Alberta's health system provides equitable access to all Albertans.

5. Alberta's health system, through the regional health authorities, provides a comprehensive range of integrated health services.

Key Policy Issue:

21(1)
23(1)e

Alberta's ability to meet the primary principles guiding the health system is compromised by the lack of a clear position on the future role of private hospitals in delivering health services to Albertans, and a gap in the legislated authority of government to enforce specified roles for private hospitals.

Recommended Policy Position:

Given this framework, the Ministry's proposed policy position with respect to private hospitals is:

1. Regional health authorities are responsible for the delivery of all insured surgical procedures.

2. Private hospitals may deliver surgical procedures (insured or uninsured) requiring an extended stay only under a contract or agreement with an RHA.

21(1)
23(1)a

3. The Minister of Health & Wellness must approve all contracts or agreements between a regional health authority and a private hospital. The approval criteria to be considered would include:

- The need for the services to be provided by the private hospital in the geographic area to be served by that private hospital.
- The private hospital in question is accredited by the College of Physicians and Surgeons to perform the contracted procedures.
- Whether or not the public interest would be served by approving the proposed contract.
- Compliance of the proposed contract with the principles of the Canada Health Act.
- An acceptable cost-benefit analysis of the proposed contract.

- An acceptable clear statement of quality results and outcomes and planned remedial action or consequences should those results and outcomes not be attained.

- Agreement by the contracting parties that the full contract is available for public scrutiny.

21(1)
23(1)a

4. The Workers Compensation Board and the Government of Canada could exercise their legislated authority to establish a hospital outside of the provincial public system to serve their specific clients, as is allowed under the Canada Health Act. No ministerial approval would be required.

Next Steps:

1. Seek SPC/Caucus support.

2. Conduct focus group testing of the policy position

21(1)
23(1)a

3. Release the policy position prior to the beginning of the Fall Session

4. Conduct meetings with stakeholders and public opinion leaders, including editorial boards, and conduct other communications activities to explain and gain support for the policy position.

5. Introduce legislation in the Spring 2000 Session.

Herb Schlotter's Office

Herb Schlotter
10/18/99 04:29 PM

To: Cathy Maunu/ABHealth@ABHealth
cc:

Subject: Policy statement - private hospitals

Please print and bring in for review

---------- Forwarded by Herb Schlotter/ABHealth on 10/18/99 04:26 PM ----------

Joan Neatby
10/18/99 03:21 PM

To: Herb Schlotter/ABHealth@ABHealth
cc:

Subject: Policy statement - private hospitals

a graphic to go along with the policy statement.

---------- Forwarded by Joan Neatby/ABHealth on 10/18/99 03:18 PM ----------

Ron Dyck
10/08/99 04:12 PM

To: Evelyn Swanson/ABHealth@ABHealth, Celso Teixeira/ABHealth@ABHealth, Joan Neatby/ABHealth@ABHealth
cc:

Subject: Policy statement - private hospitals

And here is the diagram.

---------- Forwarded by Ron Dyck/ABHealth on 10/08/99 04:08 PM ----------

Garth Norris
10/08/99 09:20 AM [redacted]

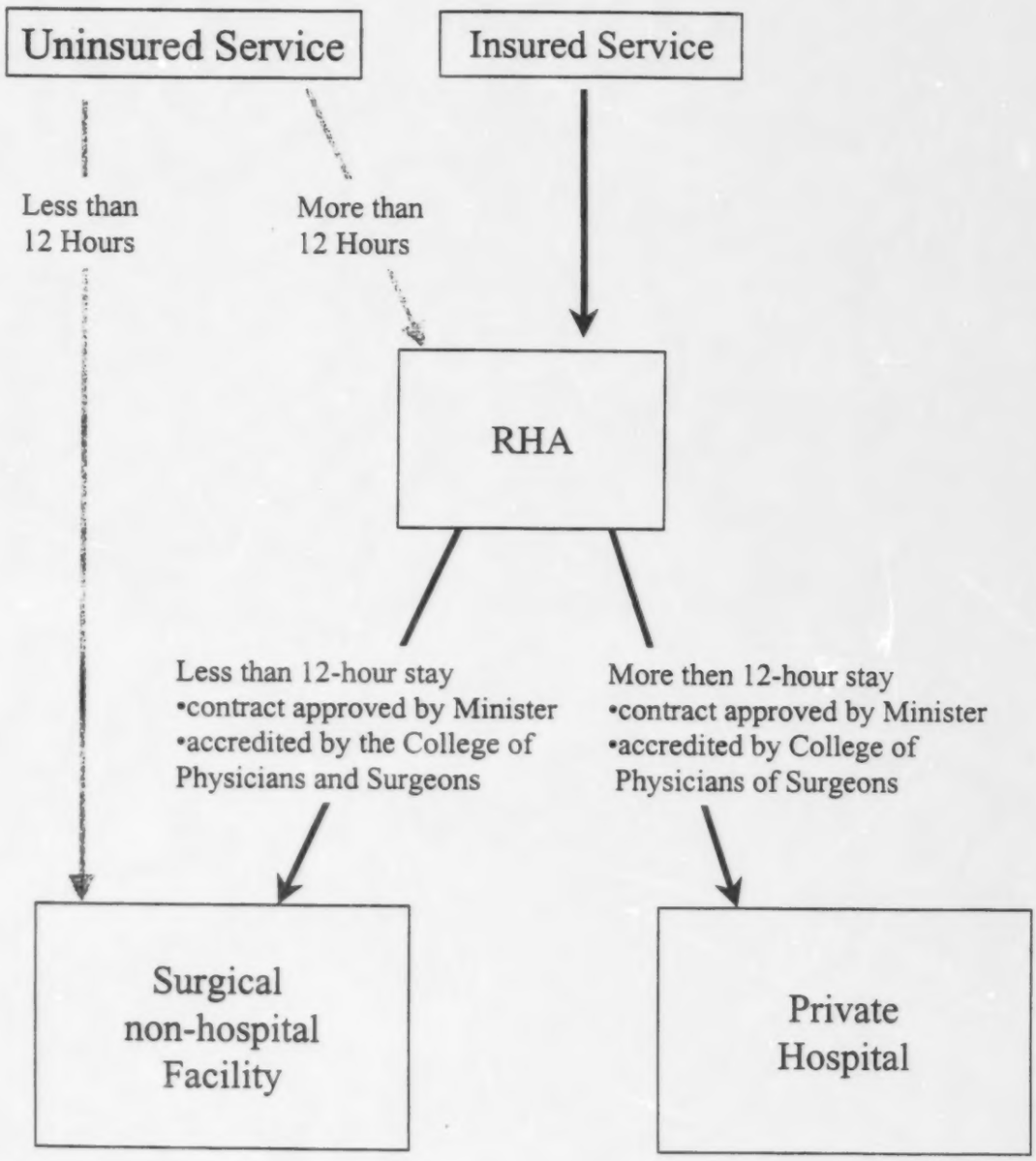
To: Lynne Duncan/ABHealth@ABHealth, Douglas Mills/ABHealth@ABHealth
cc: Ron Dyck/ABHealth@ABHealth

Subject: Policy statement - private hospitals

Attached is a draft diagram that could go with the document for cabinet to clarify in visual form, the proposed process. Comments?
Garth

Herb Schlotter's Office

garth graphic.ppt - see attached.



21(1)
23(1)a argue

Key Points
Focus Groups on Private Hospitals

On October 21, 22 and 23 six focus groups involving approximately 65 Albertans were conducted in Edmonton, Calgary and Lethbridge (2 groups in each location) to discuss the proposed "policy statement" on the future role of private hospitals in Alberta. The main themes and issues raised in these focus groups were:

- There was minimal awareness of the Canada Health Act and almost no understanding of what the Act intended to do nor what it contains. Therefore public messages that the "government is committed to the principles of the Canada Health Act" will mean little to many Albertans as they do not know anything about the CHA.

- Overall concerns with health and the health system in Alberta remain focussed on the issue of access to services and waiting times that are too long. Concerns with the Canada Health Act are that the Act does not guarantee "timely access" to medically necessary services.

- The large majority of focus group participants did not believe that the Alberta Government is committed to upholding the principles of the Canada Health Act, or believed that its commitment was only within the parameters of government's fiscal agenda. Many participants still talked about "health spending cuts by government".

- There is a strong fear of, and opposition in principle to, the concept of allowing private hospitals in Alberta. Initial "polling" among focus group participants (before any discussion of the proposed policy statement) indicated about 60% opposed to private hospitals; 40% in favor; and 10% undecided.

- In general, the proposed principles to govern and regulate the operation of private hospitals were received positively. The principle that received the strongest support was the concept that private hospitals would not be allowed to charge Albertans directly for medically necessary services and that these costs would be paid for by the publicly funded system.

- The principle that the private hospitals would be regulated through contracts with Regional Health Authorities received only modest support, in part due to an overall lack of understanding of what health authorities are, and a lack of trust in these somewhat "unknown" entities.

23(1)(a)

23(1)(a)

- The principle that the Minister of Health would need to approve the contracts between RHAs and private hospitals was seen to have almost no value, as for the most part participants had little trust in "elected officials" (from any political party). Many participants felt that a Minister's decision would be a politically motivated decision and not necessarily one that was in the best interest of the health system. To some degree this argument was applied to RHAs as well, since they are government appointed.

- After significant discussion of the proposed "principles" the majority of focus group participants believed that it would be acceptable to allow private hospitals in Alberta under the restrictions of those principles (about 65% in favor; 27% opposed; and 9% undecided). However, those opposed were very strongly opposed, while those in favor were relatively "soft" in their support.

- Many of those willing to allow private hospitals to operate within the proposed "policy framework" would do so however, only if they were confident that the principles would be upheld in the future. There was a very significant distrust of government's future plans and a significant fear that while allowing private hospitals under these criteria would be O.K., it would be a first step to potentially damaging the public system. Words like "hidden agenda", "only the first step", and "slippery slope" were used frequently by participants to express their concern about the future.

23(1)a

- The major issue raised in every focus group was that while ultimately the majority in each group would be supportive of allowing private hospitals under the proposed "policy framework", few participants could understand **"why a private hospital would choose to open under such criteria and where the private hospital's profit margin would come from".** Participants could not understand why, if these criteria were to be in place, **"everything couldn't just be done in the public hospitals rather than diverting funding to private hospitals to do services already done in the public system".** It was in this context that the issue of "hidden agendas" and "next steps by government towards privatization" were frequently raised.

- Groups also expressed a concern that once private hospitals had an "entry" into doing services for the public system, the public system would come to rely on them to the degree that the private hospitals could "renegotiate" their terms of operation more favorably. There was also concern that the "failure" (e.g. bankruptcy) of a private hospital would seriously impact the availability of services or require a government "bail-out". This latter concern raised suggestions for some sort of "performance bond" for any private hospital doing publicly funded services, or a "cap" on the number or percentage of procedures done by private hospitals.

- All focus groups however, seemed to recognize that the status quo was not acceptable and that change needed to happen with respect to the public-private interface in the delivery of health services. There was just not common agreement on what that change should look like.

- There was also strong opposition from all groups to any concept of allowing foreign patients, or patients from other provinces, to purchase services directly from Alberta private hospitals when such direct purchase would give these individuals faster service than that received by an Albertan.

- Given the lack of trust in government, a number of the groups suggested either an independent "ombudsman", "auditor" or "citizen's panel" to oversee private hospitals and ensure that they stayed within the principles of the policy framework and were not allowed to expand or change their mandate.

23(1)a

- Several of the groups also suggested that given the importance of the issue and the potential impact on the health system, the proposed policy should be taken to a provincial referendum or plebiscite.

- Most groups identified that allowing private hospitals might ultimately increase access to services (though they weren't sure quite how or why the increased access couldn't be done just as easily in the public system). There was little interest from any of the groups in the concept that private hospitals would offer the consumer more "choice".

Summary Conclusion

Based on the comments of the focus groups it can be concluded that the proposed policy framework for private hospitals would be acceptable and that the majority of participants could accept allowing private hospitals to operate under those principles. However, there was a strong opposition to the concept of private hospitals in principle, and it took considerable explanation and discussion to get participants to the stage of "accepting" the concept within the policy framework.

23(1)a

There will be very strong and high profile opposition to the policy framework from the solid core of opponents to private hospitals. Given the complexity of the issue and the general distrust of government in this area, the opposition arguments could easily prevent the average Albertan from moving to the "acceptance" stage from their current "opposition" position. It would require an extensive and expensive ongoing communications effort from government that ultimately would not guarantee overall public acceptance.

Moving forward with these principles and eventually legislation, as a "win-lose" proposition, without any "escape mechanism" (e.g. positioned as consulting with Albertans; etc.) should be viewed as a high-risk venture by government. It should be undertaken only if there is strong support within government and determination to carry it forward to conclusion in the face of strong opposition.

PRIVATE HOSPITALS POLICY

Policy Question:

What should be the role of private hospitals delivering health services in Alberta?

Policy Objectives:

23(1)a

1. Protection of the public health system.
2. Protection of members of the public who receive services from private hospitals.
3. Definition of the role of the private hospital and conditions under which it may operate.
4. Definition of the roles and responsibilities of the Minister and Regional Health Authorities with respect to private hospitals.
5. Recognition of the roles and responsibilities of other bodies in accreditation (e.g., College of Physicians and Surgeons and Canadian Council on Health Services Accreditation).

Recommended Policy Position:

23(1)a

1. The Minister of Health and Wellness has broad responsibility for insuring health services are properly conducted in the public interest.
2. Regional Health Authorities have responsibility for hospital programs in the region and are accountable to the Minister of Health and Wellness.
3. Private hospitals may be approved by the Minister of Health and Wellness to deliver surgical procedures (insured or uninsured) requiring an extended stay.
4. The Minister of Health and Wellness receives advice from the Regional Health Authority regarding the approval of private hospitals.
5. Regional Health Authorities must consider the following criteria in advising the Minister:
   - The need for the services to be provided by the private hospital in the geographic area to be served by that private hospital.
   - The private hospital is accredited by the College of Physicians and Surgeons to perform the procedures.
   - Whether or not the public interest would be served by approving the proposed private hospital.

44

- Impact of the proposed facility on the public health system, including consideration of the principles of accessibility, comprehensiveness, universality, portability and public administration.

- Any other factor the Minister requests be considered.

6. The Minister must consider all of the criteria and any other relevant factors, and determine whether to approve a private hospital after receiving the advice of the Regional Health Authority. The Minister may set conditions on the approval and may withdraw the approval if the conditions or criteria for approval are not met ~~or~~ change.

7. The rationale for approval or disapproval of a private hospital will be open to public scrutiny.

8. A Regional Health Authority may contract with an approved private hospital for the provision of insured surgical services.

23(1)a

9. All contracts between a Regional Health Authority and an approved private hospital for insured services require approval of the Minister based on the following criteria:

   - Need for the service in the geographic area
   - Whether the public interest would be served
   - Impact on the public health system, including access, comprehensiveness, universality
   - Acceptable cost benefit analysis
   - Acceptable statement of quality results and outcomes
   - Any other factors the Minister considers relevant

10. The rationale for approval or disapproval of a contract will be open to public scrutiny.

11. Private approved hospitals would be prohibited from permitting provision of an insured service to an insured person from Alberta or any province or territory of Canada for a fee. (Feasibility of a similar prohibition on providing such services to non-residents for a fee is being investigated.)

12. Surgical procedures that may be provided in an approved private hospital will be specified in a regulation. (Feasibility to be investigated)

13. The Workers Compensation Board may establish a hospital with approval of the Lieutenant Governor in Council. The Government of Canada may be able to establish a hospital without approval. (Authority of Government of Canada is to be confirmed)

45

Critical Issues:

1. Contracting for Uninsured Services

   An RHA is not able to contract with private hospitals for uninsured services unless the RHA pays for uninsured services (exchange of dollars for services is a necessary element for a valid contract). To overcome this problem, an approval process is recommended and it is very similar to the contract idea. Final authority is retained by the Minister to approve. RHAs do the initial review and advise the Minister.

   If an RHA were to contract with the WCB or Government of Canada for hospital services to be provided in the region, the RHA could subcontract delivery to an approved private hospital.

2. Definition of Uninsured Services

   Ability to place limitations on the scope of uninsured services is needed to protect the public health system. This can occur by listing any uninsured services that can be provided in a regulation and by establishing conditions on approvals.

3. Provision of Services by Opted Out Physicians to Insured Canadians and Others

23(1)a

   To protect against a parallel private system arising in private hospitals, such facilities would need to be prohibited from charging fees for insured services provided to insured Canadians. This would have the effect of preventing Canadians from paying for insured services delivered by opted out physicians. This would not prevent access by citizens who opt out. Options for preventing access to a parallel private system by persons from outside Canada are being explored.

4. Restriction of Policy to Surgical Services

   Should provision be made to regulate private hospitals providing diagnostic, rehabilitative or other medical procedures that require extended stays?

5. Public Scrutiny of Contracts

   Public scrutiny of contracts can be problematic if competition is a factor. An alternative approach is suggested – public scrutiny of the rationale for approval or disapproval.

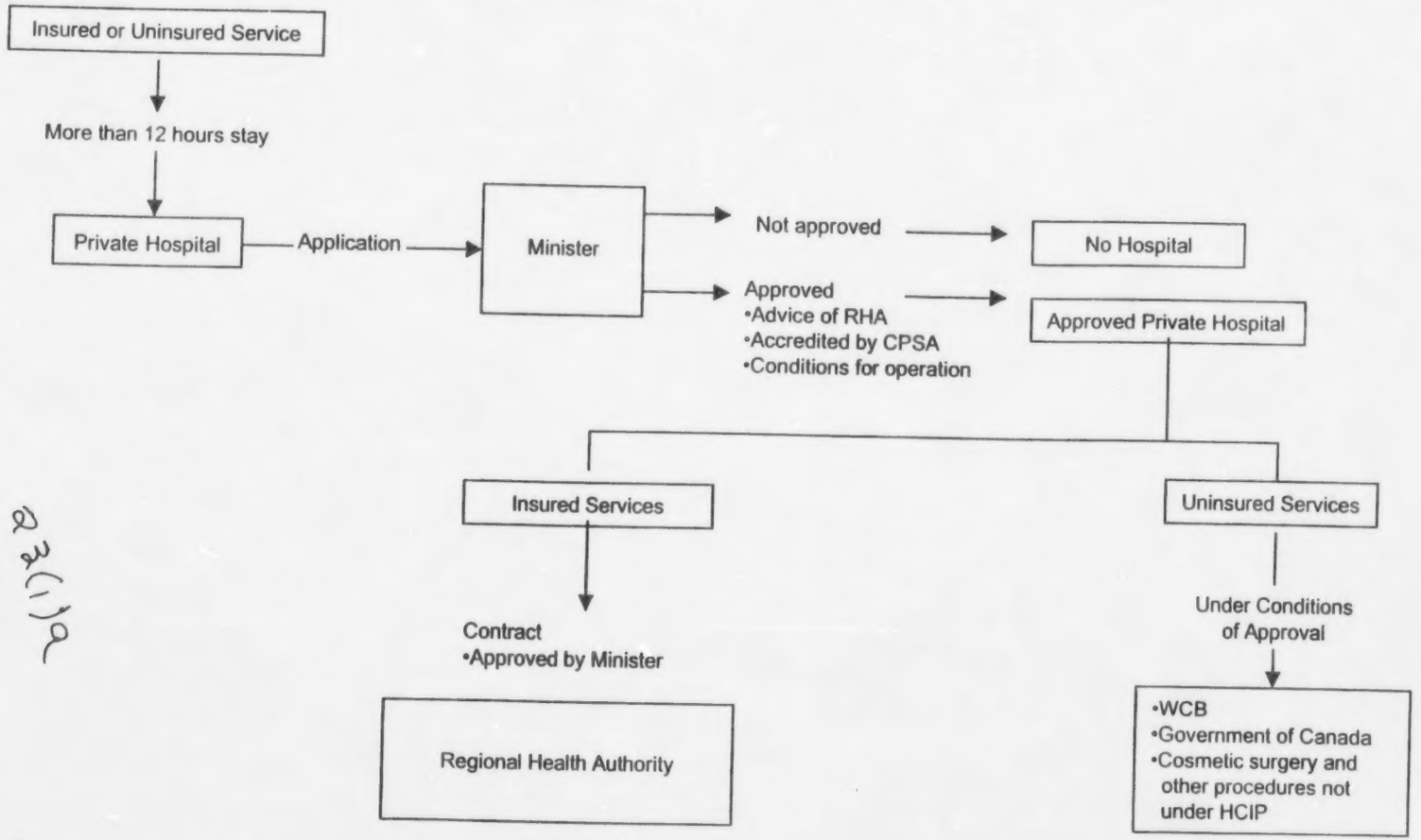
6. Private Clinic Policy and Insurance for LTC Accommodation Fees

   Should these uncontroversial provisions be handled in a separate Bill?

Prepared by: Evelyn F. Swanson
Policy Branch
October 22, 1999

4/6

PRIVATE HOSPITAL POLICY



s.21(1)a

17

PROPOSED GOVERNMENT HOUSE AMENDMENTS TO BILL 37, THE HEALTH STATUTES AMENDMENT ACT

There are three proposed government house amendments to Bill 37:

1. **Amend the definition of "insured surgical service" to clarify that insured surgical services are provided by physicians who are enrolled into the Alberta Health Care Insurance Plan by adding the words "who is enrolled in the Plan" to the end of the original definition:**

"insured surgical service" means a surgical service that is medically necessary and is provided by a physician who is enrolled in the Plan

This amendment clarifies that insured surgical services are provided by physicians who are enrolled in the Alberta Health Care Insurance Plan. If this amendment does not proceed the definition will capture all surgical services that are medically necessary provided by all physicians whether enrolled in the Plan or not.

25(1)

2. **Add a new clause that prohibits operators of treatment facilities from providing medical services described in the regulations to a person who is eligible to receive the medical service as an insured service under any province's health care insurance plan.**

The effect of this amendment is to prohibit operators of approved treatment facilities from providing services, that would normally be provided in publicly funded approved hospitals, to persons who are eligible to receive these services as insured services in any province.

Approved treatment facilities would provide services to persons who are non-entitled (WCB patients, opted out persons) and would be able to provide non-insured services.

The prohibition is worded as follows:

67.41(1) In this section, "health care insurance plan" means a health care insurance plan within the meaning of the Canada Health Act.

(2) No operator of a treatment facility that is the subject of a subsisting approval shall provide or permit to be provided as the facility a medical service described in the regulations under section 67.9 to a person who is eligible to receive the medical service as an insured service under the health care insurance plan of any province.

This amendment is intended to address criticism of Bill 37 that the operation of approved treatment facilities will erode the operation of the publicly funded health system or reduce accessibility within the publicly funded system.

3. **Add a reference to section 67.41 to the penalty clause. This amendment is consequential to including the prohibition outlined above.**

Option 1 Bill 37 does not proceed

Pro

Con

- Currently, the government cannot regulate or prohibit the existence or operation of treatment facilities
- In accrediting treatment facilities, the College can only consider quality of care issues, such as equipment, staffing and training
- If accredited, a treatment facility's operations may raise questions as to whether access to Alberta's public health care system is being eroded.
- The Federal government could determine that the existence and operation of a treatment facility violates the principles of the Canada Health Act
- Federal funding to Alberta could be withheld
- Government may be strongly criticized for not protecting the public health care system

Option 2 Bill 37 proceeds without House Amendment

The House Amendment was intended to: prohibit treatment facilities from providing medical services to people eligible to receive that service as an insured service under the public health care plan of any province or territory in Canada

Pro

- Minister can approve or reject an application to establish and operate a treatment facility
- Minister would have some control over the scope of operations of a treatment facility
- Government leads the decision making process respecting treatment facilities

23(1)a

Con

- without the house amendment government may be criticized because the legislation potentially allows the operation of treatment facilities that could erode the public health care system
- the erosion argument has two aspects:
    - unnecessary duplication of services already provided within the public health care system; and
    - removing resources from the public health care system
- the result of erosion is that access to the public health care system is reduced
- the Federal government could determine that the operation of a treatment facility violates the principles of the Canada Health Act
- Federal funding to Alberta could be withheld

- Criticism will be received from those claiming that the lack of a ban on the provision of insured services indicates the government's support of a duplicate private health system
- Opposition may introduce a house amendment to the same effect

Note: A minor house amendment is also required to correct terminology

Option 3 Bill 37 proceeds with the House Amendment

The House Amendment will: prohibit treatment facilities from providing medical services to people eligible to receive that service as an insured service under the public health care plan of any province or territory in Canada

Pro

- Minister can approve or reject an application to establish and operate a treatment facility
- Minister would have some control over the scope of operations of a treatment facility
- Government leads the decision making process
- Addresses the largest criticism about the existence of treatment facilities because the Minister would not be able to approve a treatment facility to provide services that are insured services under the public health care plan of any province or territory in Canada

23(1)a

Con

- Some criticism will still be received from those advocating a total ban of the existence of treatment facilities

Note: A minor house amendment is also required to correct terminology

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POLICY OPTIONS

BACKGROUND

On October 21, 22 and 23, six public focus groups were conducted in Calgary, Lethbridge and Edmonton to "test" the principles in government's proposed "policy statement" on private hospitals. Given the results, it was concluded that there would be nigh risk for government to move forward at this time with a policy statement and/or legislation that would allow private hospital to operate in Alberta.

The attitude of Albertans, and the current legislative gap that could allow private hospitals to begin operation without government ability to prohibit or regulate, then leaves government with three basic options. They are:

1. Introduce legislation prohibiting private hospitals.
2. Put in place some sort of "interim" prohibition on private hospitals while an extensive consultation and review on the future role of the private sector in health is conducted.
3. Introduce legislation allowing private hospitals under the proposed principles in the policy statement and attempt to gain public support for the legislation.

23(1)a This briefing deals with Option 1, legislation to prohibit private hospitals private hospitals.

OPTION ONE: PROHIBIT PRIVATE HOSPITALS

23(1)a

- Announce prior to the Fall 1999 Session of the Legislature that government will be introducing legislation that would totally prohibit private hospitals from providing any services now only provided in a public hospital (either insured or uninsured). This would in effect require any procedure requiring a medically supervised stay of more than 12 hours to be done in a public hospital and result in no private hospitals in Alberta. The legislation would also put into law the current Alberta policy with respect to private clinics providing services with a stay of less than 12 hours.

- The legislation could be introduced in the Spring 2000 Session. Alternatively, legislation could be drafted and ready for introduction in Fall 1999 Session, should it be desired to put public fears to rest.

POLICY OBJECTIVES

23(1)c

1. Protection of the public health system.
2. Recognition of public concerns about a role for private hospitals in Alberta.
3. Restoration of public confidence in Alberta's health system.

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POLICY PRINCIPLES RELATED TO PRIVATE HOSPITALS

1. The Minister of Health and Wellness has broad responsibility for ensuring health services are properly conducted in the public interest.

2. Authority of the College of Physicians and Surgeons will be limited to accreditation of diagnostic and treatment facilities that provide services requiring medically supervised stays of less than 12 hours.

3. Only hospitals owned by Health Authorities, voluntary/charitable organizations, federal or provincial agencies may be approved for operation as hospitals in Alberta.

CHANGES TO BILL 37

23(1)a

1. All of Part 3.1 (*Hospitals Act*) respecting "Approved Treatment Facilities" would be deleted.

2. Amendments to the *Medical Professions Act* respecting practice in private hospitals would be deleted.

3. A new amendment would be required to the *Medical Professions Act* to narrow the authority of the College to accredit diagnostic and treatment facilities. This might be achieved by redefining diagnostic and treatment facilities that provide services requiring less than 12 hour stays.

4. An amendment would be required to the *Hospitals Act* to prohibit approval of any hospital whose owner is not a voluntary/charitable organization, a health authority, or a federal or provincial agency.

RELATIONSHIP TO THE BILL 37 REVIEW PANEL REPORT

23(1)a

The Review Panel concluded that government's intent with Bill 37 was to safeguard the public health care system. It found nothing to contravene the *Canada Health Act* and concluded that without Bill 37 or similar legislation, there would be a legislative gap that would inhibit government's ability to prohibit or control private facilities.

The Bill 37 Panel Report proposes ways to best fill the legislative gap that allow a role for private hospitals. Their proposal suggests private hospitals be approved by the Minister and allowed to operate under the health authority's service delivery plan.

Prohibition of private hospitals would ensure that private hospitals pose no danger to the public health system. They would not exist to offer either insured or uninsured services.

Prepared by: Policy Branch
October 28, 1999

23(1)a

CURRENT PRIVATE CLINIC POLICY

23(1)a

If private hospitals are prohibited, public focus will likely shift to scrutiny of the private clinic policy as embedded in Bill 37. There are several issues related to the policy. The overriding issue is a legislative gap that leaves the Minister with no mandated course of action regarding insured diagnostic, medical or rehabilitative services when the services are provided outside a hospital in a private clinic. With rapid changes in technology, the range of non-surgical procedures outside hospitals is expected to grow. Many issues have begun to arise, and the current policy framework is inadequate to resolve them. There is also a gap in relation to services to uninsured or non-entitled persons and services provided by opted out physicians to insured Canadians.

23(1)a

1. Application of the *Canada Health Act* to Non-Surgical Services

Health Canada's policy framework for private clinics entails consideration of three criteria:

- Is there a physician at the facility who is providing acute, rehabilitative or chronic care?
- Is the physician service provided in the facility being paid for by the province/territory?
- Is the facility providing medically necessary hospital services (as outlined in the *Canada Health Act*) which are directly related to the provision of insured physician services?

Health Canada does not restrict application of their private clinic policy to surgical services. To date, Health Canada has not objected to patient charges for private MRI services based on their understanding of the nature of the service and specific way the service is delivered. However, new diagnostic services (e.g., diagnostic sleep tests) continue to emerge and the variety of delivery arrangements and settings can be expected to expand (e.g., private MRIs in surgical clinics or approved hospitals). Future interpretations of the *Canada Health Act* respecting non-surgical services in private clinics can also be expected to vary.

23(1)a

Recommended Action:

- Explore the federal government's private clinic policy more fully.
- Provide the Minister with legislative authority to regulate any diagnostic and treatment facility providing services requiring a medically supervised stay of under 12 hours.

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2. Emergence of New Technologies as Uninsured Services

New technologies are uninsured services until it is determined that they will be insured under the Alberta Health Care Insurance Plan (as negotiated between the Minister and the Alberta Medical Association), funded as a province-wide service (e.g., diagnostic sleep tests) or funded by a health authority. The process for

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23(1)a

approval is not always clear and is often extended. During this period, the technologies can proliferate on a private basis, adding to the complexity of a decision to "insure" or publicly fund a procedure.

Recommended Action:

23(1)a

- Investigate ways to allow for regulation of new technologies prior to assessment and review for inclusion in the publicly funded system.
- Develop formal mechanisms to fill gaps in decision-making processes and to coordinate consideration of issues related to public coverage of new technologies.

23(1)a

3. Provision of Insured Surgical and Other Services by Opted Out Physicians to Insured Canadians for Fees Exceeding those under Public Insurance and Services to Non-Canadians

The current private surgical clinic policy allows this practice and would not prevent opted out and opted in physicians from operating in parallel, even within the same clinic.

With anticipated growth in the range of services that can be provided outside a hospital, this situation poses a risk to the public system.

Recommended Action:

23(1)a

- Consider prohibition of provision of insured service to an insured Canadian for a fee.

CONCLUSION

23(1)a

Although Bill 37 allows for regulation of insured surgical procedures in private clinics, its scope is potentially too narrow to allow for Ministerial action with respect to other medically necessary services provided by physicians or services related to a physician service.

Moreover, the *Canada Health Act* provides an inadequate framework for resolution of the issues facing Canada's public health system.

Prepared by: Policy Branch
October 28, 1999

S.J

TV script

Section One

Good evening ladies and gentlemen.

I am taking time this evening to talk directly to you about a topic that is critically important to each and everyone of us. That topic is health care and our publicly funded health system.

In the past few months, there has been a lot of misinformation and – to be blunt – fear mongering about your government's plans for public health care. Tonight I want to set the record straight.

Although we have our challenges, Albertans have one of the best health systems in the world. Public health care has served Alberta well. Your government has a deep and unwavering commitment to protect and preserve that health system. We are firmly committed to the principles of the Canada Health Act.

Our goal is to make sure that our publicly funded health system is there when you and your family need it.

Section Two

But protecting and preserving does not mean that everything stays the same. We must allow for change and innovation.

Why? Our growing and aging population; the rising cost of new technology, new medical procedures and new drugs all mean that we must continue the search for new and better ways of providing health care. We must change so that our health system can benefit from the latest advances and still be accessible and affordable to Albertans not just today but in the years to come.

We need to find new ways to reduce waiting lists and alleviate suffering.

Tomorrow, the Minister of Health and Wellness, Halvar Jonson, will release a policy statement on behalf of your government. That statement will outline the principles that will guide our search for new ways of doing things.

The principles will form the foundation of new legislation that we want to introduce in the Spring 2000 session of the legislature.

The new bill would enshrine, <u>in law</u>, our commitment to the principles of the Canada Health Act.

The legislation would protect the public system and establish clear rules and restrictions for private sector participation.

Section Three

So what are the key principles of this legislation?

One: All Albertans will have access to insured medical services through the publicly funded and publicly administered health care system.

Two: No Albertans will pay for insured medical services and nobody will be able to pay to get faster service.

Three: Regional health authorities will be responsible for all insured surgical services.

Four: Private providers of insured surgical services will be able to operate, but only under contract with a Regional Health Authority and only within the principles of the Canada Health Act.

Five: Health authorities will be allowed to contract with privately operated facilities for surgical services only if it will improve access, improve efficiency or reduce waiting lists in the public system.

Section Four

I know that some people and groups are telling you that our intent is to open the door to that so-called American-style, private, for-profit health care where people with money can buy faster and better service.

But that simply is not true.

In fact, the principles I have just outlined will prohibit the development of a parallel private health system in Alberta.

The new legislation would prohibit private health facilities from charging any Albertan for medically necessary services. And it would prohibit private providers from accepting payment from anyone for faster service.

Section Five

You know, there are some who would try to make you think that having a private provider delivering a public health service is somehow bad. But that's nonsense.

Just think about it. Most of your doctor's offices in this province are private businesses, providing you with health care but being paid by government.

Many of the long term care centres providing care and shelter to our seniors are owned and operated by the private sector, under contract to health authorities.

And many privately-operated clinics across the province already provide you with services such as cataract surgery, paid for by the public system through contracts with health authorities.

All of these privately delivered but publicly funded services work well for the health system and work to your benefit. So why shouldn't health authorities be able to look for other innovations, as long as it is in the best interests of our public health system?

Section Six

Ladies and gentlemen, as long as I am Premier, there will not be any so-called "two-tiered" American-style health care in our province. And there will be no private hospitals operating outside of our public system.

Our vision is for one, publicly funded and administered system that offers all Albertans equal access. You will not need a credit card to obtain insured services in Alberta.

This card – your Alberta Health Care Insurance Card – is all that you will need to gain access to any health facility in the province for insured services. There will be no facility fees or queue jumping or direct billing in the Alberta health care system of the 21st century.

Our goal is better service through more choice, while protecting the values of our publicly funded system.

More choice means more options for our regional health authorities to both purchase and provide quality health care services.

Better service means reduced waiting lists, faster diagnoses and quicker access to treatment.

As I mentioned earlier, tomorrow our Health Minister will release a policy statement outlining the principles of our proposed new legislation. In a moment, you will be provided with a number of ways to obtain a copy of that statement. I urge you to get a copy. Read it. Talk about it with your family and friends. And, most importantly, provide us with your feedback before we introduce the legislation next Spring.

Thank you for your time and let me assure you again, that there will be no two-tiered American-style health system; no American-style for-profit hospitals in Alberta. Only one publicly funded health system that uses every opportunity to serve you better.

[redacted]

Douglas Mills

11/16/99 10:43 PM

To: Evelyn Swanson/ABHealth
cc: Herb Schlotter/ABHealth@ABHealth, Lynne Duncan/ABHealth@ABHealth, Garth Norris/ABHealth@ABHealth, Joan Neatby/ABHealth@ABHealth, Ron Dyck/ABHealth@ABHealth

Subject: Re: Policy Statement

I would love to declare this final, but we have a few more edits out of the premier's office...

I've made the edits on the copy below.
The first is to add "Adhere to the principles of the Canada Health Act" to the Gov't's Mission
and the second is to delete the footnote on pg 2

[redacted]

policy statement 4th version.d

Any objections?

Evelyn Swanson

Evelyn Swanson
11/16/99 16:49

To: Herb Schlotter/ABHealth@ABHealth, Lynne Duncan/ABHealth@ABHealth, Douglas Mills/ABHealth@ABHealth, Garth Norris/ABHealth@ABHealth, Joan Neatby/ABHealth@ABHealth, Ron Dyck/ABHealth@ABHealth
cc:

Subject: Re: Policy Statement

Lynne/Douglas: Can we declare this final for now? Evelyn
Herb Schlotter

Herb Schlotter
11/16/99 04:45 PM

To: Evelyn Swanson/ABHealth@ABHealth
cc: Lynne Duncan/ABHealth@ABHealth, Douglas Mills/ABHealth@ABHealth, Garth Norris/ABHealth@ABHealth, Joan Neatby/ABHealth@ABHealth, Ron Dyck/ABHealth@ABHealth

Subject: Re: Policy Statement

The changes to the footnote look good to me. We now have a positive statement to refer to that the status quo will continue.

Herb.
Evelyn Swanson

Evelyn Swanson
11/16/99 04:19 PM

To: Lynne Duncan/ABHealth@ABHealth, Herb Schlotter/ABHealth@ABHealth, Douglas Mills/ABHealth@ABHealth, Garth Norris/ABHealth@ABHealth, Joan Neatby/ABHealth@ABHealth, Ron Dyck/ABHealth@ABHealth
cc:

Subject: Policy Statement

Please review changes on pt 4.3, p2 and the footnote.
---------- Forwarded by Evelyn Swanson/ABHealth on 11/16/99 04:15 PM ----------

Joan Meachem 11/16/99 04:13 PM

To: Evelyn Swanson
cc:

Subject: Policy Statement

[redacted]

Policy Statement 3rd Version.

Policy Statement on the Delivery of Surgical Services
November 17, 1999

Government's Mission

To maintain and improve the health of Albertans by leading and working collaboratively with citizens and stakeholders.

This mission requires that government:

- Adhere to the principles of the *Canada Health Act*.
- Lead and support a system for the delivery of quality health services.
- Encourage and support healthy living.

Government's Commitment to Albertans

The Government of Alberta is prepared to legislate its commitment to maintain a publicly funded and publicly administered system for the delivery of quality health services. Six key principles form the foundation of government's commitment to the publicly funded health system and will be incorporated in legislation:

Universality – Alberta's health care insurance plan entitles all Albertans to the insured physician and hospital services provided for by the plan on a fair and equitable basis.

Excellence – Alberta's health system strives for excellence in the delivery of quality services based on high standards and best practices.

Comprehensiveness – Alberta's health care plan covers all insured health services provided by hospitals and medical practitioners.

Accessibility – Alberta's health care insurance plan provides reasonable access to medically necessary hospital and physician services without charges or other barriers, and reasonable compensation to physicians and hospitals providing insured services.

Portability – Alberta residents moving to another province continue to be covered for insured health services during any minimum waiting period imposed by the new province. Insured health services are available to insured Albertans while they are temporarily absent from Alberta.

Public Administration – Alberta's health care insurance plan is administered and operated on a non-profit basis by a public authority, responsible to the provincial government and subject to audit of its accounts and financial transactions.

Goal Statement

A priority goal of the Government of Alberta is to sustain and improve the delivery of accessible, effective, quality health services to all Albertans who need them.

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Proposed Policy on Contracting for Surgical Services

The Government of Alberta proposes the following policy with respect to the delivery of surgical services:

1. All Albertans will have access to insured surgical services on a fair and equitable basis through the publicly funded and publicly administered health system.

2. Regional Health Authorities are accountable to the Minister of Health and Wellness and responsible for assessing the needs of the population, determining priorities and allocating resources, and ensuring reasonable access to quality services.

3. Private providers of insured surgical services will operate only under the jurisdiction of a Regional Health Authority. There will be no private hospitals; there will not be a parallel health system.

4. Regional Health Authorities are responsible for determining the appropriate means for delivery of all insured surgical services:

   4.1 A Regional Health Authority may, subject to the approval of the Minister, contract with a private provider (either profit or not-for-profit) for the provision of surgical services.

   4.2 Contracted providers are prohibited from charging any fee (including a facility fee) to insured persons for an insured surgical service beyond those set out in the Alberta Health Care Insurance Plan. There will be no two-tier medicine and no queue jumping.

   4.3 The Minister must consider the following criteria for making a decision to approve or not approve a contract for surgical services between a Regional Health Authority and a private provider:

      a. Consistency with the Government's legislated principles and adherence to the principles of the *Canada Health Act*.
      b. The current and future need within the publicly funded system for the surgical service recommended by the Regional Health Authority.
      c. Impact on the publicly funded health system in Alberta, including its sustainability into the future.
      d. The demonstrated net benefit of the proposed contract, including implications for accessibility and cost effectiveness.
      e. The projected cost of the contract and the Regional Health Authority's ability to fund it.
      f. An acceptable statement of quality results and outcomes and a commitment by both parties to measure and report to the Minister of Health and Wellness.

g. Whether or not the public interest would be served.
h. Any other factors that the Minister considers relevant.

4.4 Privately operated facilities providing insured surgical services must be accredited by the College of Physicians and Surgeons prior to delivery of services. Failure to obtain or maintain accreditation will be reason to terminate a contract.

4.5 The Minister's rationale for approval of a contract will be open to public scrutiny.

4.6 The Minister may withdraw an approval if the conditions of approval are violated.

5. Regional Health Authorities are responsible for coordinating the delivery of uninsured surgical services requiring an extended stay by the patient. Surgical services requiring an extended stay will be determined by the College of Physician and Surgeons.

5.1 Extended stay, uninsured surgical services may be delivered by:

a. a Regional Health Authority,
b. a private provider under an agreement, approved by the Minister, between the Regional Health Authority and the private provider.

5.2 The Minister must consider the following criteria in making a decision to approve or not approve a proposed agreement:

a. Consistency with the government's legislated principles.
b. Impact on the publicly funded health system in Alberta, including its sustainability into the future and any implications for compliance with the *Canada Health Act*.
c. The need within the region for the surgical service as recommended by the Regional Health Authority.
d. An acceptable statement of quality results and outcomes and a commitment by both parties to measure and report to the Minister of Health and Wellness.
e. Whether or not the public interest would be served.
f. Any other factors that the Minister considers relevant.

5.3 Privately operated facilities providing uninsured surgical services must be accredited by the College of Physicians and Surgeons prior to delivery of services. Failure to obtain or maintain accreditation will be reason to terminate an agreement.

5.4 The Minister's rationale for approval of an agreement will be open to public scrutiny.

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5.5 The Minister may withdraw the approval if any conditions of approval are violated.

Feedback

Albertans are invited to provide their comments to the Minister of Health and Wellness before legislation is introduced for the consideration of the Legislature in Spring 2000. Comments may be faxed to 780-427-1171; mailed to the Honourable Halvar C. Jonson, Minister of Health and Wellness, 228 Legislature Building, Edmonton, Alberta T5K 2B6; or sent by e-mail to ahinform@health.gov.ab.ca.

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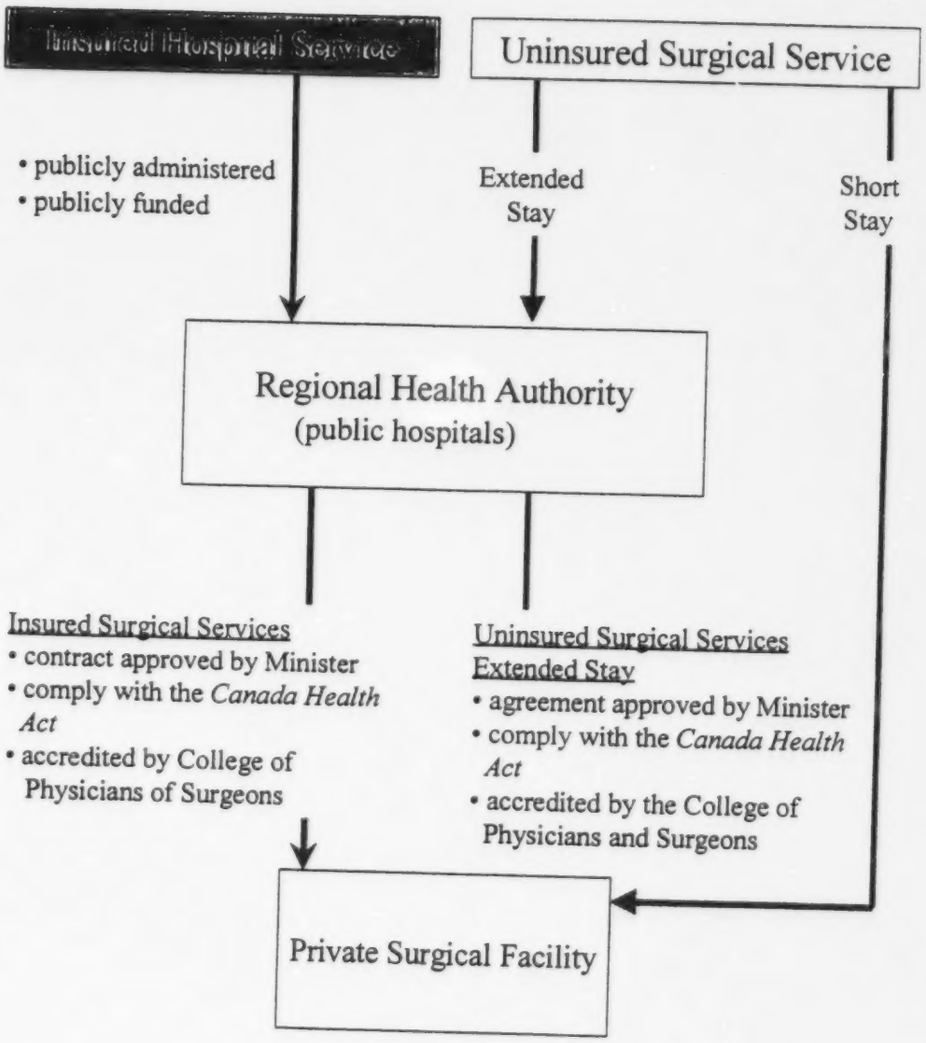
Insured Hospital Service
Uninsured Surgical Service
• publicly administered
• publicly funded
Extended Stay
Short Stay
Regional Health Authority
(public hospitals)
Insured Surgical Services
• contract approved by Minister
• comply with the *Canada Health Act*
• accredited by College of Physicians of Surgeons
Uninsured Surgical Services
Extended Stay
• agreement approved by Minister
• comply with the *Canada Health Act*
• accredited by the College of Physicians and Surgeons
Private Surgical Facility